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Press release

BJÖRN BORG TAKES OVER DISTRIBUTION OF BJÖRN BORG PRODUCTS IN BENELUX

Björn Borg has terminated the distribution contract for the Netherlands, Belgium and Luxemburg, aiming to run the distribution of Björn Borg products in the region in-house. Current distributors will hold the distribution rights during the four-year term of notice, unless the parties agree on an earlier takeover.

“The current distributor, Baseline Group, has managed to establish the brand very successfully in both markets. In 2014, for example the Dutch market accounted for as much as 27% of total brand sales, and the Netherlands has been the single biggest market sales-wise for several years. However, the markets have changed in recent years and can expectedly be better managed in-house, which is why we now have decided to discontinue the collaboration”, says Henrik Bunge, CEO at Björn Borg.

Benelux, and especially the Netherlands, is of material importance to Björn Borg, which has a strong foothold in the region within underwear as well as sports apparel, the group’s new business focus. The brand sees several market similarities between Benelux and the markets already managed within the group. By managing the Benelux distribution in-house, the company will get closer to the consumers and the local market players, opening up for further opportunities.

The current contract of Baseline Group, consisting of Dutch Brand Management B.V. and BBM (Belgian Brand Management) BVBA, will remain in force unchanged during the term of notice, running until November 2019, unless the parties agree on an earlier takeover. Baseline group has a continued ambition to reach the objectives in the Björn Borg overall business plan.

The information contained in this press release is disclosed in accordance with the Swedish Securities Markets Act and/or the Swedish Financial Instruments Trading Act. The information was released for publication on 2 December 2015 at 08:45 AM (CET).

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About Björn Borg

The Group owns the Björn Borg trademark and its core business is underwear and sportswear. It also offers footwear, bags and eyewear through licensees. Björn Borg products are sold in around thirty markets, of which Sweden and the Netherlands are the largest. The Björn Borg Group has operations at every level from branding to consumer sales in its own Björn Borg stores. Total sales of Björn Borg products in 2014 amounted to about SEK 1.4 billion, excluding VAT, at the consumer level. Group net sales amounted to SEK 539 million in 2014, with an average of 129 employees. The Björn Borg share has been listed on NASDAQ Stockholm since 2007.